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SUBJECT: MIDDLE EAST; TRIPLE BORDER; WTO DOHA ROUND; US-ARGENTINE
DEAL TO FIGHT MONEY LAUNDERING ACTIVITIES; 07/18/06

1. SUMMARY STATEMENT

Leading international stories today include the war in the Middle East; the US Senate's attempt to pass a resolution intended to create an antiterrorist task force on the Triple Border between Argentina, Paraguay and Brazil; and the US-Argentine deal to fight money laundering activities.

Daily-of-record "La Nacion," conservative "La Prensa," business-financials "Ambito Financiero" and "InfoBae" and left-of-center "Pagina 12" cover the signing of a deal between US Ambassador Lino Gutierrez and the head of the Argentine Tax Board Alberto Abad to further the struggle against money laundering activities.

2. OPINION PIECES AND KEY STORIES

- Stop it"

Left-of-center "Pagina 12" carries an opinion piece by the winner of the Nobel Peace Prize Laureate Adolfo Perez Esquivel, who opines (07/18) "I have always supported the Jewish people, who suffered the Holocaust, segregation, torture and death...

"I have repeatedly pointed out that the Israeli people have a right to exist, but the Palestinian people also have the same right, and they are currently being oppressed and massacred by the State of Israel.

"... We all know that not all the Israeli people agree with the policy carried out by the Israeli government, which is supported by the US and the silence of the European governments, this makes them accomplices to the horror unleashed in the Middle East...

"... It is crucial that the international community act by stopping the craziness of the governments before it is too late."

- "Middle East in the dark"

Mercedes Lopez San Miguel, columnist of left-of-center "Pagina 12," writes (07/18) "The escalation between Israel and Lebanon is not a focused tragedy. It will have a negative impact on the entire region. Israel will always be supported by the US, and the images of its attacks and invasion of Lebanon will distance Arabs and Muslims all over the world. However, for many of them there will always be a link between the Palestinian-Israeli conflict, the war in Iraq, the war in Afghanistan and the war on terrorism.

"... In the meeting of the eight wealthiest countries two blocs were distinguished vis-à-vis the explicit call for a quick cease fire in the Middle East - Russia and France favored it, while the UK, the US

and an ambiguous Germany led by conservative Angela Merkel were opposed. Bush and Blair defended Israel's right to defend itself from Hezbollah and its sponsors, Iran and Syria.

"... It is likely that security will worsen in the Middle East, there will be controversy in the West for some time, and all aspects of the global fight on terrorism will be revisited."

- "The mania of rowing against rationality"

Oscar Raul Cardoso, international analyst of leading "Clarín," writes (07/18) "In 1984, the bright US historian Barbara Tuchman published her book 'The March of Folly,' in which she attempted to demonstrate a daring theory. At moments of crisis, governments often row against the current of rationality even when it will assure the defeat of their interests.

"... George W. Bush is the one who offers the best case study for Tuchman's theory. He hindered a G8 blunt communique, he did not obtain the text he wanted and he did it without thinking of a Lebanese, Jewish or Palestine life. He was barely grateful for having 'sold' his impracticable 'war on terrorism.' He opposed using the resource of a blue helmet force... and he limited himself to arm-wrestling with Vladimir Putin in an attempt to demonstrate that Washington is more powerful than Moscow. The outcome was a shameful tie (between Putin and Bush) in which Putin spit the victory of the communique on Bush.

"In the meantime, the most radicalized wings of Hezbollah and Hamas, are excelling. The crisis is desperately asking for someone who will deny Tuchman's theory."

- "Triple Border - they ask in the US for the creation of an antiterrorist force"

Ana Baron, Washington-based correspondent for leading "Clarín,"

writes (07/18) "The US Senate could approve a resolution enabling US President George W. Bush to ask the OAS to create an anti-terrorist task force to act on the Triple Border between Argentina, Brazil and Paraguay.

"The resolution, which was approved by the US House of Representatives and turned over to the Senate, was made public yesterday by the newspaper Folha from Sao Paulo.

"... The resolution is not binding - this means that the Bush administration is not legally bound to implement it, however, it is a strong political sign."

- "Inopportune"

Daniel Santoro, political columnist of leading "Clarín," writes (07/18) "According to spies, ever since the September 11 attacks, 'there are more CIA agents than terrorists on the Triple Border.' However, Arab sectors in Ciudad del Este and Foz de Iguazu send money to Hezbollah-related foundations.

"Since 2001, there is a committee made up by the US, Argentina, Brazil, Paraguay, which coordinates investigations on money laundering. This is why the US diplomacy seems inclined not to accept this project, which would also be rejected by most Latin American countries."

- "Lula asks Bush to ensure the success of the Doha Round"

Business-financial "El Cronista" reports (07/18) "Brazilian President Lula urged US President George W. Bush to make 'political decisions, whatever they are,' to successfully complete the WTO Doha Round negotiations. Lula was referring to the need for lowering farm subsidies implemented by developed countries to protect their agricultural sectors.

"Lula offered the US president the possibility to establish an alliance regarding oil and energy renewable sources."

- "US-Argentine deal against money laundering activities"

Business-financial "Ambito Financiero" reports (07/18) "Argentina and the US signed a deal that will allow the two countries to have information from its custom houses on imports and exports. The purpose is detecting illegal activities, such as money laundering and trade triangle transactions that could imply fiscal evasion.

"In a press release, the US Embassy emphasized that the program will investigate into, and try to impede against the money laundering activities conducted through the traffic of merchandise. It is a highly efficient technique in the fight against money laundering which is carried out in the international exchange of goods. Information obtained at the ports of entry and departure of exports and imports will be subject to comparison in order to verify that said data is the same information reported in the statements submitted to the authorities.

"Ambassador Gutierrez said that the implementation of this program is a 'fundamental step in the fight on crime and in preventing illegal activities in foreign trade.'"

- "The US is concerned over alliances made by Hugo Chavez"

Conservative "La Prensa" reads (07/18) "The outgoing US Ambassador to Argentina, Lino Gutierrez, said that the US is 'very concerned about the situation in Venezuela and about the alliances Mr. (Hugo) Chavez is seeking,' although he pointed out that 'no one may criticize Argentina for seeking the best economic ties it can.'

"While he acknowledged that in the framework of the Fourth Summit of the Americas held last November in Mar del Plata, 'there was some disagreement on the hemisphere's view of free trade,' he also underscored that 'the Argentine Government cooperated in an impressive way' to facilitate the participation of US President George W. Bush.

"The US Ambassador said that the US-Argentine relationship 'has been strengthened' 'in many aspects' during recent years, and he emphasized 'the very good dialogue' held with the government."

- "Control against tax evasion is reinforced"

Daily-of-record "La Nacion's" "Economic and Business" supplement reports (07/18) "Illegal exports between Argentina and the US will instantaneously be controlled thanks to a deal that was signed yesterday between the two governments in order to detect tax evasion and money laundering operations.

"The deal, which was signed between the head of the Argentine Tax Board, Alberto Abad, and US Ambassador Lino Gutierrez, will implement the Trade Transparency Unit, which will serve to 'ensure international trade' between the two countries.'

"... US Embassy sources emphasized that this initiative will reinforce the struggle against money laundering through the traffic of merchandise, which is a central concern for Washington."

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GUTIERREZ